

BEFORE THE PUBLIC DISCLOSURE COMMISSION
OF THE STATE OF WASHINGTON

IN RE COMPLIANCE)	PDC CASE NO: #00-874
WITH RCW 42.17)	
)	REPORT OF INVESTIGATION
EVERETT SCHOOL DISTRICT)	
)	
Respondent.)	
_____)	

I.

BACKGROUND

- 1.1 On January 10, 2000, the Public Disclosure Commission received a complaint filed by Mr. Jami Lund of the Evergreen Freedom Foundation. The complaint alleged a violation of RCW 42.17.680 by the Everett School District. Lund's complaint alleged that the Everett School District failed to maintain for public inspection copies of employees' requests for payroll deduction of contributions to the Washington Education Association's political committee, WEA-PAC.
- 1.2 Jami Lund filed a second complaint on January 24, 2000, which alleged that the Everett School District had withheld employees' wages for contribution to WEA-PAC without first obtaining written authorization from the employees, a violation of RCW 42.17.680(3).

II.

SCOPE

- 2.1 Staff reviewed the following documents received from Jami Lund of the Evergreen Freedom Foundation:
 - a. Initial complaint letter received January 10, 2000.
 - b. Second complaint letter received January 24, 2000.
- 2.2 Staff reviewed the response dated January 28, 2000 from Jeffrey S. Riddle, Deputy Superintendent, for Everett Public Schools.

- 2.3 Staff reviewed the sworn statement of Byron Viger, Director of Finance for Everett Public Schools, made June 21, 2000.
- 2.4 Staff reviewed WEA-PAC deduction authorizations for school year 1999-2000 signed by employees of the Everett School District.
- 2.5 Staff reviewed the Everett School District payroll deduction register for the month of March 2000.

III.

LAW

- 3.1 RCW 42.17.680 states in part:

- (3) **No employer or other person or entity responsible for the disbursement of funds in payment of wages or salaries may withhold or divert a portion of an employee's wages or salaries for contributions to political committees or for use as political contributions except upon the written request of the employee. . . . The request is valid for no more than twelve months from the date it is made by the employee.**
- (4) **Each person or entity who withholds contributions under subsection (3) of this section shall maintain open for public inspection for a period of no less than three years, during normal business hours, documents and books of accounts that shall include a copy of each employee's request, the amounts and dates funds were actually withheld, and the amounts and dates funds were transferred to a political committee. Copies of such information shall be delivered to the commission upon request.**

IV.

FINDINGS

- 4.1 On January 10, 2000, the Public Disclosure Commission received a complaint from Mr. Jami Lund of the Evergreen Freedom Foundation alleging violation of RCW 42.17.680(4) by the Everett School District. **(Exhibit 1)** Lund's complaint alleges that he visited the Everett School District's Payroll Office (District) on October 22, 1999 and requested to see the signed employees' requests authorizing payroll deductions for WEA-PAC contributions. Lund was told by a District employee that the completed authorization forms were not kept by the District, but rather by the Everett Education Association.

- 4.2 A response was received on January 28, 2000 from Jeffrey S. Riddle, Deputy Superintendent for Everett Public Schools. **(Exhibit 2)** Riddle responded that Lund visited the Human Resources department rather than the Payroll department and that “payroll deductions are maintained in the Payroll department not in the Human Resource department. I have checked with Payroll and have been advised that they have signed authorization forms on file for PAC payroll deductions from EEA members.”
- 4.3 Byron Viger, Director of Finance for the District, stated under oath that the District did not have three years’ worth of deduction authorizations at the time of Lund’s visit. At the time of Lund’s October 1999 visit, according to Viger, the District was not in possession of any of the WEA PAC deduction authorizations for the 1999-2000 school year. The 16 deduction authorizations for the 1999-2000 school year that had been signed prior to Lund’s October visit were at the Everett Education Association’s office. Viger stated under oath that at the time of Lund’s visit the District had some of the deduction authorizations that had been signed for the 1998-1999 school year and all of the deduction authorizations that were signed for the 1997-98 school year. Viger further stated that the District obtained the missing deduction authorizations from the EEA. The District had not previously had the deduction authorizations for the 1999-2000 school year before receiving them from the EEA in January 2000. **(Exhibit 3, pp. 4-5)**
- 4.4 The District relied on the Everett Education Association to determine whether or not WEA-PAC contributions would be withheld from employees’ wages. Viger stated under oath that the EEA would produce a spreadsheet for the District each month. That spreadsheet contained a detailed accounting of what WEA-related deductions would be withheld from each employee. The District then transferred all funds withheld, including basic dues and any other WEA-related deductions, to the Everett Education Association. The transfer was made in one lump sum and the District relied on the Everett Education Association to make the appropriate disbursements, including the disbursement to WEA-PAC. **(Exhibit 3, p. 5)**
- 4.5 Lund filed a second complaint on January 24, 2000, which alleged that the Everett School District had withheld employee wages for contribution to WEA-PAC without first getting signed deduction authorizations from employees. **(Exhibit 1)** By the time Lund filed the second complaint, he had learned that the District had eighteen signed deduction authorizations for the current year. Lund alleged that documents obtained from the 1999 Washington Education Association’s Representative Assembly attributed a much higher proportion of past WEA-PAC contributions coming from the Everett School District than had been authorized for the 1999-2000 school year.
- 4.6 The District, on April 3, 2000, produced copies of 22 WEA-PAC payroll deduction authorizations that had been signed for the 1999-2000 school year. On May 4, 2000,

Viger forwarded an additional 46 WEA-PAC deduction authorizations that had been signed during January and February 2000. The District also produced a copy of its March deduction register. A review of the District's deduction register and the signed deduction authorizations for the current year revealed that the District did not withhold WEA-PAC deductions without employee authorization. The minimum annual WEA-PAC contribution authorized through payroll deduction is \$12.00, or \$1.00 per month. The authorization is effective September 1 or the date signed, whichever is later, and expires on August 31. If an employee signs the deduction authorization in or before September, then the deduction is withheld at the rate of \$1.00 per month. However, if an employee signs the authorization later in the school year, then the \$12.00 contribution is pro-rated over the remaining months. For example, if an employee signed the deduction authorization in February, the \$12.00 would be pro-rated over 7 months, February through August, and deducted at a rate of \$1.71 per month. The District withheld payroll deductions for WEA-PAC contributions only from those employees' wages who had signed authorizations. Each of the 68 payroll deductions was withheld at a rate that reconciles with the date that it was authorized by the employee.

Respectfully submitted this 31st day of July, 2000.

Lori Anderson
Political Finance Specialist

EXHIBITS LIST

- Exhibit 1** Complaint letter received January 10, 2000.
Second complaint letter received January 24, 2000.
- Exhibit 2** Response filed by Jeffrey S. Riddle, Deputy Superintendent, on behalf of Everett Public Schools dated January 28, 2000.
- Exhibit 3** Transcript, Byron Viger interview, June 21, 2000, pages 4 and 5.